

LDWSF
12.3.329.1 VI
08/01/2009



Records Retention Manual

Revised August 2000



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Records Management Policy

Introduction

In any large company, innumerable records (including reports, letters, e-mails, forms, charts, analyses and other kinds of documents) are produced internally on a daily basis. In addition to those records, an equal number of documents is generally received from outside sources on a daily basis.

It is the position of this Corporation as encompassed in its Records Management Policy that these records be retained only during the period of their immediate use unless a longer retention period is required by law or historical considerations. The specific records retention schedules contained in this Manual specify the length of time records are to be maintained.

This Manual contains the requirements employees will need for the proper handling of company records. This Manual is intended to be used on a corporate-wide basis for all activities relating to record storage and destruction. If a plant site generates records unique to that location, site management may choose to add those records to an appropriate retention schedule contained in this Manual; however, special requirements issued by plant sites should be used to supplement, **not** change, the specific requirements listed in this Manual. Furthermore, the Law & Patents Department should be consulted by the plant sites in order to assure that retention periods for site-specific records comply with legal requirements.

Statement of Policy

The Records Management Policy of this Corporation has been established to govern the identification, retention, storage, protection and disposal of the Corporation's records. The Records Management Policy is designed to meet the following minimum requirements:

1. Records should only be created when necessary, and copies of all such documents should be distributed only on a need-to-know basis.
2. All records will be retained for periods specified by applicable federal and state laws and regulations.
3. Unless otherwise stated in this Manual, all records developed to document the Corporation's compliance with relevant laws and regulations will be maintained on a permanent basis.
4. All records which may substantially impact the legal and/or business obligations of the Corporation will be retained for a period of time which reasonably assures the availability of the records when needed.
5. Records will be destroyed periodically by the Corporation's sites, divisions and departments when the retention requirements have been satisfied. The Law & Patents Department will exercise vigilance to assure that destruction plans can be brought to an immediate halt upon receipt of legal process to which the records might be relevant.
6. The retention of records beyond their immediate useful life and beyond the applicable legal, internal and historical requirements must be avoided. Such retention subjects the Corporation to unnecessary storage costs and encourages a lack of discipline within the Corporation's sites, divisions and departments.
7. All records which are vital in nature will be identified and appropriately safeguarded.
8. All records maintained on microfilm, optical disc, magnetic tape or other electronic data processing storage media will be covered by this Records Management Policy.
9. Employees should avoid the destruction of items which could be of historical importance to the Corporation; the Corporate Communications Department and appropriate management personnel should be consulted where appropriate.
10. Each Executive Vice President is responsible for the implementation of the Records Management Policy and appropriate compliance with its provisions. The Executive Vice Presidents may delegate responsibility to others within their respective organizations.

The Problem

- Every day we create and store a tremendous number of records, such as letters, memos, reports, charts, forms, ledgers, e-mail messages analyses and minutes of meetings. We receive still more from outside the company. Some of these records are unnecessary in the first place, and many that were at one time necessary are kept long after they have outlived their usefulness. In either case, these unnecessary records are costly and burdensome.

The Solution:

Bayer Records Management Policy

This policy is a set of principles developed to help all of us eliminate unnecessary records. The manual also contains specific records retention rules. **Note that these are rules adopted by the Executive Committee - not just guidelines or suggestions.** The policy went into effect November 1, 1994.

As defined by the policy, the term "records" refers to all recorded information, regardless of media or characteristics, made or received and maintained by this company in pursuance of its legal obligations or in the transaction of its business. It refers not only to written documents and e-mail in paper or electronic formats, but also records maintained on microfilm, optical disc, magnetic tape or other media. The term includes records that are kept in "official" or centralized locations as well as those company-related records that we keep in our individual files.

Here are two key points of the Records Management Policy:

Avoid creating unnecessary records

Before you put pen to paper or fingers to the keyboard, ask yourself:

- Should this record be created?
- How can I most responsibly, clearly and concisely present the information?
- How many others truly need to receive this information?

The point is we should create records only when they are necessary and send copies to only those who need the information. As a rule of thumb, keep only one copy of a record unless the record is genuinely needed by more than one employee, site, division or department.

Regularly dispose of unnecessary records

In the following document, you'll find clearly defined records retention schedules that will allow you or your work unit to responsibly dispose of records that are no longer needed. These retention schedules not only tell when to discard various kinds of records; they also make sure we keep records that are required by government laws and regulations or that are needed to meet the company's business and legal obligations. Some records, such as the by-laws of the corporation, are kept permanently. **In general, records of historical importance to the company should be preserved.** If you think you might have such records, contact the Corporate Communications Department or appropriate management personnel before destroying them.

To find out your responsibility or your work unit's responsibility for records retention, look in the manual under the appropriate records retention schedules (*see the example on opposite page*). It is likely you will need to be familiar with only a few of these schedules, but if you are not sure which to look under, ask your supervisor. If a record falls under more than one schedule, use the longest retention period listed.

Who is responsible?

The executive vice presidents have overall responsibility for complying with the Records Management Policy and for implementing systems and procedures for handling records within their division or service group. Although executive vice presidents will establish their own procedures, a common practice would be to require work units to conduct annual "house cleanings."

Personal Responsibility

Ultimately, of course, we are all responsible for following the rules spelled out in the Records Management Manual. If we work together, we can cut the cost and burden of unnecessary records.

General Instructions

Under the Records Management Policy, all records must comply with the Policy's requirements. This Policy includes company records as well as files of individual employees which contain company records. As a general rule, only one copy of a record should be retained unless the record is genuinely needed by more than one employee/site/division/department. If identical records are generally received by different employees or units within a site/division/department, appropriate management personnel should make a decision as to which set of copies will be retained pursuant to this Manual and which set(s) will be destroyed.

If a site/ division /department chooses to store records electronically or on microfilm, the original hard copies can be immediately destroyed unless their retention is mandated by tax considerations (e.g., accounting records) or legal requirements (e.g., purchase and sales contracts; laboratory notebooks); in these instances, the original records should be retained for the required retention period.

In those instances in which an electronically retained record is duplicated, the original record remains the record subject to the retention requirements and the duplicated record can be deleted at any time unless it is manipulated in such a way that it becomes a new record; in these instances, the manipulated record will become subject to an appropriate retention schedule.

To ensure that the Records Management Policy will meet the Corporation's changing needs, Executive Vice Presidents (or their designees) shall establish and implement systems and procedures for handling records. The Law & Patents Department will provide advice and assistance on a corporate-wide basis and will periodically review the Corporation's records systems and procedures to ensure that they are consistent with the Policy. All conflicts or questions relating to the Policy are to be referred to the Corporate Records Committee for resolution.

This Manual applies to any company records kept in company libraries. However, it does not apply to other library materials such as books, periodicals, reference sources and so forth that are generally available to the general public.

The Corporation maintains corporate archives to store historical items, products, documents, photos, films, etc. Items that have historical value, but would be disposed of according to this Manual, should be brought to the attention of the Corporate Communications Department and appropriate management prior to disposal.

Permission to deviate from the time specified in the appropriate retention schedule may be requested from the Office of the Corporate Secretary. The request should include a copy of the record (or a description of it), the business reasons for wanting an exception and a recommendation for its retention.

If you cannot locate a specific retention period for a certain type of record not included in this Manual, consult your Division Counsel. That person will be able to tell you how long to retain

the document. If the document in question is prepared or received with some degree of frequency, an appropriate category will be added to the next revision of this Manual.

If a record pertains to two or more subjects and fits under two or more different schedules and time periods, you should use the longest retention period.

Finally, if the appropriate schedule provides for indefinite retention with review after, for example, five years, this means that the records should be retained for a minimum of five years, followed by a review of legal requirements and/or continuing need. If the review discloses that destruction is warranted, destruction may proceed; if destruction is not warranted, the records should be retained for five more years and reviewed again at the end of that time period. This sequence should continue until the records are ultimately destroyed.

This Manual supercedes any similar manuals issued previously by the Corporation or its predecessor companies; records currently being retained pursuant to a previous manual are subject to the provisions of this Manual effective as of August 1, 2000.

This Manual does not establish policies, programs or procedures relative to filing systems, methods of destruction or the like. Consistent with the Corporation's philosophy of decentralization, these matters are to be addressed as necessary by the plant sites, the divisions and the departments.

Summary

The identification, retention, storage, protection and disposal of the Corporation's records must, by nature, be handled throughout the Corporation in a responsible manner. The Records Retention Policy and the Manual and the Records Management Policy that is encompassed herein provide reasonable requirements that will assure uniformity and legal compliance. The cooperation of each and every employee is essential if the Corporation is to achieve its records management objectives.

Records Retention Schedules

A. Accounting and Finance	Type of Record	Retention Period
1	Accounts Receivable Cash Receipts Files	Seven years
2	Accounts Payable Invoices	Seven years
3	Accounts Receivable Invoices	Seven years
4	Acquisition/Divestiture/Entity Transfer Financial Workpapers	Permanent
5	Annual Audited Financial Statements	Permanent
6	Annual Audit Workpaper Package	Seven years
7	Appropriation Requests	Seven years
8	Bank Statements and Cancelled Checks	Seven years
9	Census Bureau and Other Government Surveys	Seven years
10	Employee Travel and Entertainment Reports	Seven years
11	Financial Statements – Monthly	Seven years
12	Financial Statements – Quarterly	Permanent
13	General Journals and Other Posting and Control Media Subsidiary to the General Ledgers	Seven years
14	General Ledgers – Monthly	Seven years
15	General Ledgers - Quarterly	Permanent
16	Physical Inventory Records	Seven years

B. Aviation Operations	Type of Record	Retention Period
1	Aircraft Usage Requests and Approvals	Four years
2	Air Travel Data (including trip purposes, travel authorization numbers, passenger manifest)	Four years
3	Flight Logs	Four years
4	Maintenance Records	Four years
5	Repair Station Work Orders	Four years
6	Trip Logs	Four years

C. Communications	Type of Record	Retention Period
1	Annual Reports	Permanent
2	Biographies of Company Personnel	Three years after termination
3	Community Relations Material	Indefinite (three year review)
4	Company Newsletters/Brochures	Four years
5	Division/Department Newsletters/ Brochures	Four years
6	Graphics Materials (artwork, draw- ings, logos, stationery, etc.)	Five years after last use
7	Mailing Lists	Indefinite (review and update annually)
8	News Releases and Clearance Documentation:	
	a. Routine Matters (e.g., pro- duct news, staff changes)	Five years
	b. Major Events (e.g., acquisitions, annual earnings)	Permanent
9	Press Clippings and Summaries	Three years
10	Photographs and Videotape	Indefinite (five year review)
11	Press Inquiries and Responses	Four years
12	Promotional Material	Five years
13	Recognition Events (gifts, mementos, entertainment, etc.)	Three years

Communications (cont'd.)	Type of Record	Retention Period
14	Speeches a. Speeches by Executive Vice President and above b. Speeches by All Other Employees	Seven years Three years

D. Corporate Governance	Type of Record	Retention Period
1	Meetings of Board of Directors or Committees of the Board:	
	a. Background Material	Permanent
	b. Minutes	Permanent
2	Meetings of Divisions/Department Management Committees:	
	a. Background Material	Seven years
	b. Minutes	Seven years
3	Meetings of Other Committees:	
	a. Background Material	Three years
	b. Minutes	Three years

E. Engineering	Type of Record	Retention Period
** * 1	Drawings	Ten years after termination of facility/product/project
** 2	Manuals	Ten years after termination of facility/product/Projec
** * 3	Project Files (facilities)	Ten years after Facility is decommissioned
** * 4	Project Files (products)	Retain for the greater of ten years or useful life of product
** 5	Technical Reports	Indefinite (ten year review)

* For these specific documents, any retention period set to expire in 1998, 1999 or 2000 is extended to the end of the year 2005, especially with respect to products/projects that include electronic systems/circuitry or computer interfacing or software, including imbedded chips.

** For purposes of Year 2000 issues, any retention period set to expire in 1998, 1999 or 2000, is extended to the end of 2005, especially with respect to product/projects that include electronic systems circuitry, or computer interfacing or software, including embedded chips for these records.

F. Environment	Type of Record	Retention Period
1	Internal Environmental Audits	Until superceded
2	Regulatory Required Records	Retain in accordance with the longer of applicable legal requirements or Corporate HES Department requirements
3	All Other Records	As necessary for maintaining historical information requirements

G. General Correspondence	Type of Record	Retention Period
1	Correspondence (including letters, internal memoranda, electronic mail, and the like) for Long-Term Retention:	
	a. Correspondence which constitutes all or part of a contract or which clarifies certain points in a contract.	Corresponds to the retention period of underlying document
	b. Correspondence which constitutes all or part of any other official document or which clarifies certain points in the document.	Corresponds to the retention period of underlying document
	c. Correspondence pertaining to patents, copyrights, licensing agreements, bills of sale, permits, etc.	Corresponds to the retention period of underlying documents
	d. Correspondence denying or affirming liability of the Company	Corresponds to the retention period of underlying document
2	Correspondence for Short-Term Retention:	
	a. Correspondence of general inquiry and responses which complete a cycle and has no value beyond possible reference from the correspondent within a reasonable period of time.	One year
	b. Correspondence requesting specific action (such as name/ address change) which has no further value after action is taken.	One year

General Correspondence (cont'd)	Type of Record	Retention Period
3	General Support Records	
	a. Calendars	Two years
	b. Chronological Files	Four years
	c. Diaries	Two years
	d. Personal Files	Two years
	e. Telephone Answer Logs	One year
4	Non-essential Correspondence	
	a. Correspondence and notes which require no acknowledgment or follow-up, such as notes of congratulations, appreciation and plans for meetings	Six months
	b. Form letters which require no follow-up	Six months
	c. Other correspondence of a non-essential subject matter or which require no further action or reference	Six months
	d. Duplicate/multiple copies of correspondence which will otherwise be retained by the issuing site/division/department or the primary subject	Six months

H. Government Relations	Type of Record	Retention Period
1	Domestic Consultants Work Product Documentation	Five years
2	Entertainment Guest Book	Seven years
3	Government Relations Reports	Seven years
4	Political Action Committee (PAC) Fund	
	- Budget Reports	Five years
	- Annual Reports	Five years
	- Federal Election Reports and Financial Records (responsibility of PAC Treasurer)	Five years
5	Trade Association Materials	Indefinite (review annually for usefulness)

I. Human Resources	Type of Record	Retention Period
1	Benefits	
	a. Determination Requests and Letters	Permanent
	b. Plan Documents	Permanent
	c. Records of Service and Eligibility	Permanent
2	Payroll Documents	
	a. Assignments, Attachments and Garnishments	Three years after payment or settlement
	b. Employee Deduction Authorizations	Four years after termination
	c. Employee Earnings Record	Permanent
	d. Payroll Registers	Seven years
	e. Time Cards and Sheets	Retain for the greater of three years or the cycle of the collective bargaining agreement
	f. Unclaimed Wage Records	Six years
3	Personnel	
	a. Affirmative Action Plans	Five years
	b. Affirmative Action Files	Five years
	c. Attendance Records	Five years
	d. Census Reports and Head-count Comparisons	Five years

Human Resources (cont'd.)	Type of Record	Retention Period
	e. Commissions, Bonuses, Incentives, Awards, etc.	Seven years
	f. EEO-1 and EEO-2 Employer Information Reports	Five years after superceded
	g. Employee Handbooks	Permanent
	h. Employment Application Forms and Resumes (for unsuccessful candidates)	Three years
	i. Family and Medical Leave Records	Four years
	j. Job Descriptions	Three years after superceded
	k. Original Collective Bargaining Agreements	Permanent
	l. Practices Manuals	Permanent
	m. Personnel Files (including employment application forms, resumes, employee agreements, etc.)	Retention requirements are dictated in the Human Resources Department Employee Practices Manual
	n. Succession Planning and Development Records	Three years
	o. Training	Retain in accordance with the greater of applicable legal requirements or internal requirements

J. Insurance	Type of Record	Retention Period
** 1	Audits and Adjustments	Two years after final adjustment
*** ** * 2	Certificates Issues by Vendors, Contractors and Other Third Parties	Ten years after expiration of underlying contract/project
** * 3	Claims (including correspondence, medical records, injury documentation, etc.):	
**	a. Workers' Compensation	To be maintained by third party administrator
*** ** *	b. Products Liability (no litigation)	Ten years after last correspondence
**	c. Other Third Party	Ten years after last correspondence
**	d. Long Term Disability	Ten years after return to work, retirement, termination or death
**	e. Group Life	Five years after closing
**	f. Group Health and Dental	Ten years
** 4	Inspections	Three years
** 5	Journal Entry Support Data	Seven years
6	Loss Information	Permanently in data base maintained by the Insurance Department

Insurance (cont'd.)	Type of Record	Retention Period
7	Policies	
	a. Workers' Compensation	Permanent
	b. Products Liability	Permanent
	c. Umbrella	Permanent
	d. Property	Permanent
	e. Fidelity and Crime	Permanent
	f. General Liability	Permanent
	g. Employee Benefit	Permanent
**	h. Bonds	Two years after expiration
	i. Other	Permanent
** 8	Releases and Settlements	Ten years

* For these specific documents, any retention period set to expire in 1998, 1999 or 2000 is extended to the end of the year 2005, especially with respect to products/projects that include electronic systems/circuitry or computer interfacing or software, including imbedded chips.

** For purposes of Year 2000 issues, any retention period set to expire in 1998, 1999 or 2000, is extended to the end of 2005, especially with respect to product/projects that include electronic systems circuitry, or computer interfacing or software, including embedded chips for these records.

*** Due to the issues connected with the "Year 2000 Problem", it is necessary to extend the retention period for certain documents which would normally expire in the years 1998 through 2000. These are records with retention periods which are not to expire until the end of 2005.

K. Internal Financial Audit	Type of Record	Retention Period
1	Audit Reports	Indefinite (seven year review)
2	Audit Workpapers	Indefinite (seven year review)

L. Law & Patents	Type of Record	Retention Period
1	Corporate Secretary	
	a. Corporate Records	
	- Articles of Incorporation	Permanent
	- By-Laws	Permanent
	b. General	
	- Listings with Stock Exchanges	Permanent
	- Proxy Statements and Related Correspondence	Permanent
	- Securities Registrations/ Filings	Permanent
	- Stock Certificates	Twenty years plus review of General Counsel
	2 Intellectual Property	
	a. Copyright Registrations	Indefinite (ten years review)
	b. Memoranda of Invention	Indefinite (five year review)
	c. Trademarks Registration	Indefinite ten year review)
	d. U.S. and Foreign Patents and Applications	Six years after expiration or abandonment

Law & Patents (cont'd.)	Type of Record	Retention Period
3	Legal	
	a. Agreements, Contracts and Related Records	Seven years after expiration
	b. Agreements, Contracts and Related Records with Outside Firms Hired to Perform Services on the Corporation's Premises; E.G. Maintenance, Construction, Asbestos Removal, etc.	Thirty years after completion of the work
	c. Closing Documents and Due Diligence Files Related to Acquisitions, Incorporations, Mergers, Consolidations, Divestitures, Reorganizations, and Dissolutions	Permanent
	d. Government Contracts and Related Records	Retain in accordance with applicable legal requirements or seven years, whichever is greater
	e. Governmental Filings	Indefinite (five year review)
	f. Investigations Performed by Governmental Entities or Performed Internally in Anticipation of Governmental Action	Indefinite (five year review)
	g. Litigation and Claims	At the discretion of the managing attorney
	h. Opinions and Other Records for Legal Guidance	Until replaced/modified plus ten years

M. Manufacturing	Type of Record	Retention Period
*** ** * 1	Maintenance Manuals and Instructions	Until superceded
** 2	Maintenance Records (except for medical devices)	Five years
** 3	Medical Device Maintenance Records, Process or Facility Operating Manuals and Process Technology Records	Retain for the life of medical device
** 4	Process or Facility Operating Manual (except for medical devices)	Ten years after termination of product
** 5	Process Technology (except medical devices)	Until superceded
** 6	Record of Alcohol Use	Seven years

* For these specific documents, any retention period set to expire in 1998, 1999 or 2000 is extended to the end of the year 2005, especially with respect to products/projects that include electronic systems/circuitry or computer interfacing or software, including imbedded chips.

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*** Due to the issues connected with the "Year 2000 Problem", it is necessary to extend the retention period for certain documents which would normally expire in the years 1998 through 2000. These are records with retention periods which are not to expire until the end of 2005.

N. Medical, Health and Safety	Type of Record	Retention Period
1	<p>Health and Safety</p> <ul style="list-style-type: none"> a. Employee Medical Records b. Employer's Report of Injury c. Exposure Records d. Industrial Hygiene Laboratory Analyses e. Internal Safety and Industrial Hygiene Audits f. Plans, Programs and Records Mandated by OSHA or State Agencies g. Plant First Aid and Safety Reports h. Policy Statements and Manuals i. X-ray Data Sheets and X-ray Film (<i>original film</i>) 	<p>Duration of employment plus thirty years</p> <p>Unless controlled by state law, ten years from injury or twenty years from death</p> <p>Duration of employment plus thirty years</p> <p>Thirty years</p> <p>Until superceded</p> <p>Retain in accordance with applicable legal requirements</p> <p>Three years</p> <p>Twenty years</p> <p>Unless otherwise dictated by Corporate HES Department, duration of employment plus thirty years</p>

Medical, Health and Safety (cont'd.)	Type of Record	Retention Period
2	j. Other Specific Documents	Retain in accordance with applicable legal requirements or Corporate HES or Law & Patents Department directive
	Product Safety and Regulatory Affairs	
	a. Product Health Literature	Retain in accordance with applicable legal requirements or seven years, whichever is greater
	b. Registration and Reporting Submissions	Retain in accordance with applicable legal requirements
	c. Training Information	Retain in accordance with applicable legal requirements or seven years, whichever is greater
	d. Material Safety Data Sheets (incoming and outgoing)	Thirty years or as otherwise dictated by the Corporate HES or the Law & Patents Department

Medical, Health and Safety (cont'd.)	Type of Record	Retention Period
	e. Chemical Divisions' Shipping Labels	Thirty years or as otherwise dictated by the Corporate HES or the Law & Patents Department

**O. Plant and Property
Records****Type of Record****Retention Period**

1

Acquired Property (Original Documents including Agreements, Deeds, Leases, Easements, Correspondence, etc.)

Permanent

2

Divested Property (Original Documents)

Ten years plus approval of General Counsel

3

Fixed Assets Ledgers (Year-End-Run)

Seven years plus approval of Corporate Controller

4

Mortgages

Ten years after satisfaction

5

Title Insurance Policies

Permanent

P. Purchasing	Type of Record	Retention Period
** * 1	Purchase Orders, Contracts, and Agreements	Six years
** * 2	Purchase Requisitions	Six years
** * 3	Purchasing Statistics	Two years
** 4	Vendor Lists	Indefinite (review periodically as necessary)
** * 5	Vendor Proposals and Quantities	Two years

* For these specific documents, any retention period set to expire in 1998, 1999 or 2000 is extended to the end of the year 2005, especially with respect to products/projects that include electronic systems/circuitry or computer interfacing or software, including imbedded chips.

** For purposes of Year 2000 issues, any retention period set to expire in 1998, 1999 or 2000, is extended to the end of 2005, especially with respect to product/projects that include electronic systems circuitry, or computer interfacing or software, including embedded chips for these records.

Q. Quality Assurance	Type of Record	Retention Period
1	Clinical Studies	Twenty years after product is no longer sold
2	Inspection and Test Records	Unless otherwise dictated by appropriate site/division/department management, retain for seven years after useful life of product
3	Internal Quality Assurance Audits	Indefinite (seven year review)
4	ISO 9000 records (not otherwise listed herein)	Unless otherwise dictated by appropriate site/division/department management, retain for seven years after useful life of product
5	Product Batch Records (whether or not retained centrally and including manufacturing records, packaging records, labeling records, analytical records, exception release reports, limited use release reports, trial and qualification reports, etc.)	Unless otherwise dictated by appropriate site/division/department management, retain for seven years after useful life of product

Quality Assurance (cont'd.)	Type of Record	Retention Period
6	Product Complaints	Unless otherwise dictated by appropriate site/division/department management, retain for seven years after useful life of product
7	Product Stability Reports	Unless otherwise dictated by appropriate site/division/department management, retain for seven years after useful life of product
8	Product Manufacturing Profile	Indefinite (twenty year review)
9	Project Formula Book	Indefinite (twenty year review)
10	Quality Assurance Procedures	Indefinite (twenty year review)
11	Specifications	Indefinite (ten year review)

R. Research and Development	Type of Record	Retention Period
1	Analytical Research Records	Indefinite (ten year review)
2	Invention Documents and Records	Indefinite (ten year review)
3	Laboratory Notebooks, Supporting Data, and Test Data	Permanent (if desired original documents can be destroyed after 15 years but the underlying information must be retained on a permanent basis on either microfilm or other spacesaving media)
4	Medical Studies	Indefinite (ten year review)
5	Outside Opportunities Research	Indefinite (ten year review)
6	Pharmacology Reports	Indefinite (ten year review)
7	Pilot Plant Data and Related Records	Indefinite (twenty year review)
8	Project Control Records	Indefinite (ten year review)
9	Project Files	Indefinite (five year review)
10	Project History Files	Indefinite (ten year review)

Research and Development (cont'd.)	Type of Record	Retention Period
11	Research Reports	Indefinite (ten year review)
12	Stability Records and Reports	Indefinite (ten year review)
13	Time Distribution Records	Indefinite (ten year review)

S. Sales & Marketing	Type of Record	Retention Period
* ** 1	Advertising Copy and Marketing Programs	Five years
** 2	Call Reports	Indefinite (three year review)
3	Catalogs and Price Lists	Permanent
** * 4	Customer Complaints/Claims	Seven years
** * 5	Customer Contracts and Order Files	Five years
** * 6	Sales and Marketing Extracts	Seven years

* For these specific documents, any retention period set to expire in 1998, 1999 or 2000 is extended to the end of the year 2005, especially with respect to products/projects that include electronic systems/circuitry or computer interfacing or software, including imbedded chips.

** For purposes of Year 2000 issues, any retention period set to expire in 1998, 1999 or 2000, is extended to the end of 2005, especially with respect to product/projects that include electronic systems circuitry, or computer interfacing or software, including embedded chips for these records.

T. Strategic Planning	Type of Record	Retention Period
1	Acquisition Files – Acquired	Permanent
2	Acquisitions Files – Not Acquired	Five years
3	Divestiture Files – Divested	Permanent
4	Divestiture Files – Not Divested	Five years
5	Organization Plans	Permanent
6	Strategic Plans – Final Reports	Indefinite (five year review)
7	Strategic Plans – Steering Committee Reports	Five years
8	Venture Capital Files	Five years

U. Tax	Type of Record	Retention Period
1	Appeals	Permanent
2	Calendar of Tax and Report Due Dates	Two years
3	Claims and Refunds	Permanent
4	Dividend and Interest Information	Six years
5	Earnings and Profit Studies	Permanent
6	Excise Tax Records	Seven years
7	Payroll Tax Records	Seven years
8	Sales and Use Tax Records	Seven years
9	Tax Bills, Receipts and Statements	Permanent
10	Tax Manuals, Tax Service Bulletins and Tax Reports	Five years
11	Tax Returns (including schedules, working papers, etc.)	Permanent
12	Taxes Paid by the Consolidated Companies	Permanent
13	Termination Reports from Taxing Authorities (including reports from revenue agents and auditors and related documents)	Permanent

V. Traffic and Transportation		Type of Record	Retention Period
1		Bills of Lading, Delivery and Receiving Reports, Shipping Instructions and Packing Slips	Six years
2		Distribution License, Individual Validated Licenses, Other Export Licenses and Supporting Data	Six years
3		Duty Drawback Records	Four years
4		Freight Bills and Drafts	Seven years
5		Freight Claims	Three years
6		Outbound Freight Systems Maintenance	Seven years
7		Paid Receiving Records & Truckloads	Three years
8		Paid Loss & Damage Claims	Three years
9		Penalties/Fines/Forfeitures/ U. S. Customs Seizures	Twelve years
10		Power of Attorney/General or Term Bond	Twelve years
11		Rates and Tariffs	Three years
12		Restricted Trade Practice/Boycott Requests and Reports	Eight years
13		Request for Information (Customs Form CF 28) and Notice of Action (Customs Form CF 29)	Eight years
14		Shippers Export Declaration (SED)	Seven years
15		Truck Cost & Savings Report	Three years

Traffic and Transportation (cont'd.)	Type of Record	Retention Period
16	Truck Fleet Pay Records	Three years
17	Truck Shipments	Three years
18	Truck Load Receivers	Three years
19	Warehouse Truck Shipments	Three years

W. Treasury	Type of Record	Retention Period
1	Banking Transactions	
	a. Bank Authorizations	Indefinite (five year review)
	b. Banking Agreements	Indefinite (five year review)
	c. Guarantees and Comfort Letters	Five years after termination or settlement of account
2	Cash Management	
	a. Balance Reports	Seven years
	b. Cash Position Worksheets	Seven years
	c. Debt and Investment Account Records	Seven years
	d. Foreign Exchange Records	Seven years
3	Credit and Collections	
	a. Applications for Credit, Approval Forms, Qualifica- tion Reports	One year after account becomes inactive
	b. Collection Litigation Files	Three years after case is closed
	c. Customer Financial Statements	Until superceded
	d. Security Agreements and Financial Statements	Three years after satisfaction

Treasury (cont'd.)	Type of Record	Retention Period
4	Debt Management	
	a. Loan Agreements	Indefinite (five year review)
5	Equipment Leasing	
	a. Leasing Agreements	Seven years after termination
	b. Literature	Three years
6	Trust Investment Operations	
	a. Billings from Manages (including correspondence and performance data)	One year
	b. Investment Consultants Performance Reports	Indefinite (ten year review)
	c. Trust Agreements	Permanent
	d. Trustee Billings	One year

X. Year 2000 Project

The following records which have been and will be generated during the course of the Year 2000 Project are to be retained through the year 2005 and, thereafter, subject to further review by the Law Department:

- Records dealing with the assessment of the costs of making Major computer systems compliant, especially accounting, EDI and like systems.
- Investigations of corporate/OEM products having potential Year 2000 problems, e.g. Products having computers or processors, products having embedded chips, products interfacing with computers or processors external to corporate systems.
- Investigation of internal production facilities and safety systems which include computer or process controllers, embedded chips or interfaced with systems external to the corporation. This includes test procedures and the results thereof used to determine whether a device/software has a year 2000 problem.
- Remediation proposals and reports of Year 2000 compliance efforts.
- Reports and audits of outside consultants related to investigation/remediation.
- Reviews of insurance contracts (e.g. product liability/business continuance), facility contracts and equipment vendors contracts (e.g. warranties/indemnification for Y2K problems) and supply contracts for electronic circuits and software.
- Government Reporting (e.g. FDA)
- Bayer customer/product compliance certification documentation.

X. Year 2000 Project (cont'd.)

Due to the issues connected with the "Year 2000 Problem", it is necessary to extend the retention period for certain documents which would normally expire in the years 1998 through 2000. These records with retention periods which are not to expire until the end of 2005 are:

Group of Record		Type of Record	Retention Period
Insurance		see also page 13 ff	
	2	Certificates Issued by Vendors, Contractors and Other Third Parties	Ten years after expiration of underlying contract/project
	3	Claims (including correspondence, medial records, injury documentation, etc.)	
		b. Products Liability (no litigation)	Ten years after last correspondence
Manufacturing		see also page 18	
	1	Maintenance Manual and Instructions	Until superceded

Year 2000 Project (cont'd.)

For these specific documents, any retention period set to expire in 1998, 1999 or 2000 is extended to the end of the year 2005, especially with respect to products/projects that include electronic systems/circuitry or computer interfacing or software, including imbedded chips.

Group of Record	Type of Record	Retention Period
Engineering	see also page 6	
1	Drawings	Ten years after termination of facility/product/project
3	Project Files (facilities)	Ten years after facility is decommissioned
4	Project Files (products)	Retain for the greater of ten years or the useful life of product
Purchasing	see also page 23	
1	Purchase Orders, Contracts, and Agreements	Six years
2	Purchase Requisitions	Six years
3	Purchasing Statistics	Two years
5	Vendor Proposals and Quantities	Two years
Sales & Marketing	see also page 28	
1	Advertising Copy and Marketing Programs	Five years

Year 2000 Project (cont'd.)

Group of Record	Type of Record	Retention Period
4	Customer Complaints/Claims	Seven years
5	Customer Contracts and Order Files	Five years
6	Sales & Marketing Extracts	Seven years

Year 2000 Project (cont'd.)

For purposes of Year 2000 issues, any retention period set to expire in 1998, 1999 or 2000, is extended to the end of 2005, especially with respect to product/projects that include electronic systems circuitry, or computer interfacing or software, including embedded chips for these records.

Group of Record	Type of Record	Retention Period
Engineering	see also page 6	
1	Drawings	Ten years after termination of facility/product/project
2	Manuals	Ten years after termination of facility/product/project
3	Project Files (facilities)	Ten years after facility is decommissioned
4	Project Files (products)	Retain for the greater of ten years or useful life of product
5	Technical Reports	Indefinite (ten year review)
Insurance	see also page 13 ff	
1	Audits and Adjustments	Two years after final adjustment

Year 2000 Project (cont'd.)

Group of Record	Type of Record	Retention Period
Insurance (cont'd)		
2	Certificates Issued by Vendors, Contractors and Other Third Parties	Ten years after expiration of underlying contract/project
3	Claims (including correspondence, medical records, injury documentation, etc.)	
	a. Workers' compensation	To be maintained by third party administrator
	b. Products Liability (no litigation)	Ten years after last correspondence
	c. Other Third Party	Ten years after last correspondence
	d. Long Term Disability	Ten years after return to work, retirement, termination or death
	e. Group Life	Five years after closing
	f. Group Health and Dental	Ten years
4	Inspections	Three years
5	Journal Entry Support Data	Seven years
7	Policies	
	h. Bonds	Two years after expiration

Year 2000 Project (cont'd.)

Group of Record	Type of Record	Retention Period
Insurance (cont'd.)		
8	Releases and Settlements	Ten years
Manufacturing	see also page 18	
1	Maintenance Manuals and Instructions	Until superceded
2	Maintenance Records (except for medial devices)	Five years
3	Medial Device Maintenance Records, Process or Facility Operating Manuals and Process Technology Records	Retain for the life of medical device
4	Process or Facility Operating Manual (except for medial devices)	Ten years after termination of product
5	Process Technology (except medical devices)	Until superceded
6	Record of Alcohol Use	Seven years
Purchasing	see also page 23	
1	Purchase Orders, Contracts and Agreements	Six years
2	Purchase Requisitions	Six years
3	Purchasing Statistics	Two years
4	Vendor Lists	Indefinite (review periodically as necessary)

Year 2000 Project (cont'd.)

Group of Record	Type of Record	Retention Period
Purchasing (cont'd.)	see also page 23	
5	Vendor Proposals and Quantities	Two years
Sales & Marketing	see also page 28	
1	Advertising Copy and Marketing Programs	Five years
2	Call Reports	Indefinite (three years review)
4	Customer Complaints/Claims	Seven years
5	Customer contracts and Other Files	Five years
6	Sales & Marketing Extracts	Seven years